

## Message Text

LIMITED OFFICIAL USE

PAGE 01    PRETOR 01655 221156Z  
ACTION EB-08

INFO OCT-01 AF-10 ISO-00 PA-01 DODE-00 NSAE-00 USIA-06  
TRSE-00 SOE-02 DOE-15 CIAE-00 COME-00 ACDA-12  
PM-05 IO-13 /073 W  
-----082595 222228Z /63

R 221120Z MAR 78  
FM AMEMBASSY PRETORIA  
TO SECSTATE WASHDC 797  
INFO AMCONSUL CAPE TOWN  
AMCONSUL DURBAN  
AMCONSUL JOHANNESBURG

LIMITED OFFICIAL USE PRETORIA 1655

CAPE TOWN ALSO FOR EMBASSY

E.O. 11652: N/A  
TAGS: ESTC, SF  
SUBJECT: EXPORT CONTROLS: EMBARGO ON U.S.-ORIGIN GOODS TO  
SADF AND POLICE

REF: STATE 71345

1. AS REQUESTED REFTEL, TEXT OF IBM STATEMENT FOLLOWS:  
QUOTE: ON FEBRUARY 16 THE U.S. DEPARTMENT OF COMMERCE  
ISSUED AMENDED EXPORT CONTROL REGULATIONS WHICH AFFECT THE  
EXPORT AND RE-EXPORT OF U.S.-ORIGIN COMMODITIES AND UN-  
PUBLISHED TECHNICAL DATA TO MILITARY OR POLITICAL ENTITIES  
IN THE REPUBLIC OF SOUTH AFRICA AND NAMIBIA (SOUTH WEST AFRICA).

WE CAN CONFIRM THAT NO IBM USER, GOVERNMENT OR COMMERCIAL,  
OTHER THAN THE RSA MILITARY OR POLICE IS AFFECTED AS LONG AS  
WE CAN CERTIFY THAT IBM SUPPORT GIVEN IS NOT INTENDED FOR  
ULTIMATE USE BY OR FOR THE MILITARY OR POLICE.

IN THE CASE OF THE MILITARY AND POLICE THE PROPER  
GOVERNMENT AUTHORITIES HAVE BEEN COMPLETELY INFORMED OF  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02    PRETOR 01655 221156Z

THE EFFECT OF THE REGULATIONS.

THE NEW REGULATIONS PRECLUDE IBM FROM SUPPLYING  
AFTER FEBRUARY 19, 1978 MACHINES, PARTS AND UNPUBLISHED  
TECHNICAL DATA OF U.S.-ORIGIN DIRECTLY OR INDIRECTLY TO  
MILITARY AND POLICE ENTITIES. AGAINST THIS BACKGROUND,  
IBM IS ABLE, HOWEVER, TO CONTINUE LOCAL SERVICING (IN-  
CLUDING PARTS) ON A RESTRICTED BASIS TO THESE CUSTOMERS.

END QUOTE

2. COMMENT: MANAGING DIRECTOR OF IBM SOUTH AFRICA SAID ABOVE WAS NOT A RELEASE BUT A "RESPONSIVE STATEMENT" AFTER PRESS QUERIES. HE SAYS FINAL SENTENCE MEANS THAT LOCALLY-EMPLOYED IBM TECHNICIANS WITHOUT ACCESS TO UNPUBLISHED TECHNICAL DATA CAN CONTINUE TO SERVICE COMPUTERS AND THAT PARTS OF NON-U.S. ORIGIN AND HAVING NO U.S. COMPONENTS CAN CONTINUE TO BE SUPPLIED.

3. ALTHOUGH IT IS STILL TOO EARLY TO FORM JUDGMENTS FROM HERE OF ULTIMATE EFFECT OF FEBRUARY 16 RESTRICTIONS, IT IS BECOMING INCREASINGLY EVIDENT THAT IT MAY HAVE WIDESPREAD NEGATIVE CONSEQUENCES FOR U.S. EXPORTS TO SOUTH AFRICA. EVEN CUSTOMERS FOR U.S. EQUIPMENT WHO NOW REALIZE THESE RESTRICTIONS APPLY ONLY TO MILITARY AND POLICE ARE ASKING WHETHER THEY SHOULD RISK PURCHASE OF EXPENSIVE PRODUCTS WHEN THEY CANNOT BE SURE OF FUTURE SERVICING AND SPARES.

4. IN ADDITION, THERE IS CONFUSION OVER RESPONSIBILITIES OF IMPORTERS TO KEEP NON-SENSITIVE U.S. GOODS FROM BEING ACQUIRED AT SOME STAGE IN MARKETING LADDER BY SADF OR POLICE. FOR EXAMPLE, HOBART CORP. HAS BEEN SEEKING IN VAIN TO INTEREST SA FIRMS IN ACTING AS ITS DISTRIBUTOR FOR RESTAURANT-TYPE FOOD HANDLING INSTALLATIONS BECAUSE LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03     PRETOR 01655 221156Z

FIRMS DO NOT UNDERSTAND HOW FAR THEIR OBLIGATIONS EXTEND AND ALSO WOULD BE EXCLUDED FROM GOOD POTENTIAL MARKETS OF SADF AND POLICE. ESSO FACES SIMILAR DIFFICULTY WITH SPECIAL LUBES IMPORTED FROM U.S.

5. HOLD-UP ON LICENSING OF PRIVATE AIRCRAFT HAS NOT YET HIT PRESS BUT IS LIABLE TO AT ANY TIME AND WILL TEND TO STRENGTHEN IMPRESSION U.S. IS TIGHTENING EMBARGO. WE HOPE IT WILL SOON BE POSSIBLE TO IMPLEMENT NEW MEASURES DESCRIBED IN STATE 57155 AND RESUME LICENSING. BOWDLER

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** POLICIES, EXPORT CONTROLS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 22 mar 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978PRETOR01655  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780127-0027  
**Format:** TEL  
**From:** PRETORIA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t19780337/aaaabfec.tel  
**Line Count:** 105  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 565ac1bf-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 78 STATE 71345  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 19 apr 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3238558  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** EXPORT CONTROLS: EMBARGO ON U.S.-ORIGIN GOODS TO SADF AND POLICE  
**TAGS:** ESTC, ETRD, SF, US, IBM  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/565ac1bf-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014